

February 2004 Edition

Highlighted Recently Asked Questions

Has the requirement changed for the contract bidders to beat the MEO by 10%. If so, can you provide a brief explanation?

Attachment B, Section D5c(4)(c) of OMB Circular A-76 says that in order for a vendor to be the low cost offeror, their bid must be \$10 million or 10% lower than the MEO's labor costs. That provision still stands. However, cost will not be the only factor on which the award is based.

Based on the waiver granted by OMB, the agency will utilize a best value approach for determining the competition winner. The significant factors that will be used to determine the winner will be a balance between the ability to provide the service, cost, and risk. Once the bids are evaluated, if some competitors are virtually equal, the cost factor will come into play.

What is the future of the flight services aka flight service stations?

The FAA has no intention of eliminating the services provided by AFSSs. The agency recognizes the importance of the Flight Service function and how it integrates into the National Airspace System. The A-76 competition is an opportunity to provide the AFSS service with a constant funding stream, encourage innovative processes, introduce improved technology, balance workload and staffing, and address the aging facilities and inadequate equipment.

The competitive sourcing activity is being conducted to ensure the most efficient, highest quality service is delivered to the users. The Government bidder, the MEO, will compete on a level playing field with vendors. Regardless of who is selected under this competition, the FAA will still have the total responsibility for the oversight of safety and quality of services. There will be a comprehensive quality assurance process to continuously monitor services being provided

and ensure that those services are as good as or better than services being provided today.

If someone executes their Right-of-First-Refusal (ROFR) and goes to work for a contractor, what happens to their retirement under FERS and CSRS? If they are not eligible to retire, will they still be able to get a partial retirement at 62?

- Employees separating from the federal government (voluntary or involuntary) may elect to:

Take an immediate early retirement if eligibility for discontinued service retirement or optional retirement is met (age 50 with 20 years service; any age with 25 years). This would be a monthly benefit that would start immediately.

Withdraw their retirement fund if retirement eligibility above is not met.

- Leave their retirement money in their retirement account and withdraw at any time in the future. (If an employee is rehired under federal employment, all money in their account - past and future - is counted toward their retirement annuity.
- Leave their retirement money in their account until age 62 and then draw a monthly retirement benefit (they need at least five years of service credit to be eligible to do this).

On the issue of whether an employee can immediately draw their CSRS or FERS retirement, the options outlined would apply, regardless of whether ROFR is exercised.

AFSS personnel are bombarded with the advice 'to just be patient' and 'it is a good idea for everyone to make sure that their OF612's and /or resumes are up to date.'

Question 1: Is the FAA generating the above advice to Human Resources (HR) to disseminate to AFSS personnel?

Question 2: Will the FAA place AFSS personnel in other FAA options?

Question 3: In the statement above, is the FAA telling AFSS personnel to expeditiously seek outside employment?

Question 4: Does the FAA intend to implement and follow OMB procedures as specified in Circular A-76 Revised Supplemental Handbook Performance of Commercial Activities - Part 1, Chapter 1, Paragraph H, Items 3. a, b, c, d?

Question 5: Does the head of the FAA intend to ask the Office of Personnel Management (OPM) to permit early retirement for eligible employees as specified in the CSRS and FERS Handbooks, Chapter 43: Early Voluntary Retirement?

The Office of Human Resource Management (AHR) provided the following: The issues around placement and Reduction-in-Force (RIF) are of paramount concern to all involved with this process. It would make it a whole lot easier if it was known exactly where everyone would be on or about October 2005. Unfortunately, it is too early to provide a definitive answer.

However, what is known is this, if the contractor prevails in the competition decision, all affected employees will be separated unless they are offered other positions in the federal service or they elect to retire. If the MEO prevails, the number of affected employees separated will be directly related to the difference in staffing levels between the current and proposed staffing models. In both instances, reductions will be handled in accordance with the FAA's policies and procedures governing staffing adjustments and RIFs. FAA Order 3350.2C, Staffing Adjustments and Reductions In Force

(<http://www.faa.gov/ahr/policy/order/orders/33502c.cfm>) provides that when the number of employees in any organization or occupation must be reduced, management shall make every reasonable effort to place surplus employees in other jobs or regions of the agency with the least possible interruption to their careers and personal lives. Separation of employees by RIF shall take place only after all reasonable alternative actions have failed to solve the surplus problem. This guidance, and others in the agency, is consistent with that outlined in the A-76 circular.

AHR is committed to working with the management officials in the ATS/ATO organization to explore every reasonable alternative to minimize any adverse impact to employees. Decisions around placement, retraining, early-outs, qualifications waivers, etc., are an integral part of establishing reasonable alternatives, and these must be firm before the agency can proceed. In any event, placement efforts require that individuals have updated OF-612s, resumes, etc., for skills assessment, career counseling, retraining, selection priority, etc. That is the reason that this advice is being shared--it is advance preparation for anticipated events that will occur within the next few months. Human Resource Policy Manual (HRPM) number EMP-1.22, Career Transition Program, (<http://www.faa.gov/ahr/policy/hrpm/emp/emp-1-22.cfm>) provides the authority and guidance for career transition in the agency that will be used once final decisions are made.

AHR hopes to have more information soon.

NOTE: AHR is responsible for communicating personnel information to directly affected employees and their representatives. Please forward your personnel-related questions and/or issues to Renee Anderson. Ms. Anderson can be reached via email at renee.anderson@faa.gov or by telephone at 202-267-3907.